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Supreme Court, U.S.
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No. 03-141

IN THE

Supreme Court of the United States

Imageline, Inc,
Petitioner

v.

Xoom Inc.,
Respondent.

ON PETITION FOR A WRIT OF CERTIORARI FOR THE COURT OF APPEALS FOR THE FOURTH CIRCUIT

BRIEF OF REED ELSEVIER INC. AS *AMICUS CURIAE* IN SUPPORT OF THE PETITION

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MOTION FOR LEAVE TO FILE BRIEF AMICUS CURIAE IN SUPPORT OF THE PETITION

Reed Elsevier, Inc. (REI) respectfully moves this Court for leave to file the accompanying brief *amicus curiae* in support of Petitioner Imageline Inc.'s Petition for a Writ of Certiorari. Petitioner has granted leave to file this brief and counsel has lodged that letter with this Court. Respondent Xoom, Inc. has denied leave to file.

As a publisher of printed and, increasingly, electronic works, REI will be able to offer a different and important perspective that will enable the Court to better adjudicate the merits of the petition. Therefore, REI respectfully asks this Court for leave to file its amicus brief over the denial of consent by the Respondent.

Respectfully submitted,

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I. INTEREST OF THE AMICUS[1]

Reed Elsevier Inc. ("REI") is one of the country's leading publishing and information companies, providing information in both hard copy and electronic formats to the government, scientific, legal, educational and business communities. REI businesses include: Harcourt, a leading provider of K-12 instructional materials and educational assessment tools; Elsevier Science, one of the top publishers of scientific and medical information; LexisNexis, the industry leader in decision-support information and services to legal, business, and government professionals; Reed Business Information, the largest publisher of business and professional publications in the United States; and Reed Exhibitions, one of the country's premier exhibition companies. Reed Elsevier Inc. (REI) is a large commercial publisher that has made a tremendous investment in making copyrighted works available to the public in electronic form. As part of its efforts to secure its intellectual property rights, REI routinely registers its journal publications as collective works or compilations.

II. ARGUMENT

The Court should grant the writ and resolve the conflict in the Circuits. Under the Fourth Circuit's decision below, a person who pirates five out of six journal articles from a given issue is limited to paying statutory damages on one article. *See Xoom, Inc. v. Imageline, Inc.*, 323 F.3d 279, 284 (4th Cir. 2003).[2] Put another way, the copyright owner

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[1] No entity or counsel apart from those whose names appear on this brief have contributed monetarily or substantively to its production.

[2] As a preliminary matter, *amicus* notes that not only have the appellate courts split on this issue, but confusion over proper interpretation of section 504 (c)(1) abounds in the District Courts as well. *Compare, e.g., Itar-Tass News Agency v. Russian Kurier*, 42 U.S.P.Q. 2d (BNA) 1810, 1822 (S.D.N.Y. 1997) (finding that statutory damages must

victimized by the theft of five articles receives the same compensation as the person who suffers the theft of one. Both of the leading commentators on copyright have decried this result.[3]

In contrast, under the First Circuit's sound ruling in *Gamma Audio & Video, Inc. v. Ean-Chea*, 11 F.3d 1106, 1115-16 (1st Cir. 1993), the same defendant is liable for statutory damages for *each* pirated article. These diametrically opposed precedents create conflicting results with respect to a critical aspect of the copyright law, and present this Court with a unique opportunity to remedy the unfairness that they have caused.

A. Splits in the Circuits on Copyright Law Frustrate the Congressional Design

The lack of uniformity created by this split in authority not only warrants this Court's review under S. Ct. Rule 10(a), but takes on a special aura of importance in copyright cases. One of the main purposes of the Copyright Act of 1976 was to, as Congress put it, "promote national

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be awarded for the compilation as a whole, not for each work contained therein); *Stokes Seeds Ltd. v. Geo W. Park Seed Co*, 783 F. Supp. 104, 108 (W.D.N.Y. 1991) (same) *with Hal Roach Studios v. Richard Feiner & Co.*, 1984 U.S. Dist. LEXIS 23570, at *11-12 (S.D.N.Y.1984) (statutory damages awarded for infringement of each song based on the registration of the album). *Cf. Worlds of Wonder, Inc., v. Vector Intercontinental*, 1 U.S.P.Q. 2d 1982, 1986 (N.D. Ohio 1986) (each derivative work made from plaintiff's work results in award of statutory damages).

[3] *See* Paul Goldstein, Copyright, § 12.2.2.1.a (noting that the construction of the statute adopted by the Fourth Circuit would "seriously undercompensate" the owner of a copyrighted work contained in a compilation); M. Nimmer & D. Nimmer, Nimmer on Copyright § 1404[E][2][c] (calling the result of the rule a "charade").

uniformity and to avoid the practical difficulties of determining and enforcing an author's rights under ... differing laws." House Rep. No. 94-1476, at 129 (1976); *see also* 17 U.S.C. § 301 (broadly preempting all state laws that grant equivalent rights). Unlike other areas, such as the trademark laws, where state and federal laws may co-exist, Congress has made its desire for a uniform, federal copyright system unequivocally clear. The remedy of statutory damages is a core element of that system, carefully calibrated by Congress to promote core copyright policies. The need for uniform application of the statutory damage regime is therefore all the more compelling.

The increasing use of digital networks as the distribution method of choice for many publishers exacerbates the negative effects of a uniform standard of liability. An infringer that makes a work available over the Internet has created immediate, nationwide harm. The exposure of that infringer to statutory damages, despite the nationwide (or worldwide) distribution of that work, turns entirely on the fortuity of whether litigation ensues in the Fourth Circuit or in the First. The infliction of harm on a national level mandates a national, uniform remedy.

B. The Decision Below Frustrates Policies of Judicial Economy

The Fourth Circuit's decision forces the copyright owner into the grossly inefficient position of having to file multiple lawsuits to defend its rights. As the panel correctly decided, registration of a compilation gives federal courts subject matter jurisdiction over infringement of a work contained in that compilation where the copyright in the compilation and its constituent part are owned by the same person. *See Xoom v. Imageline,* 323 F.3d 279, 284 (4th Cir. 2003). When read against the panel's interpretation of the Copyright Act's statutory damage provision, the plaintiff is

forced to make duplicative filings to protect its economic interests.

More specifically, the Fourth Circuit's interpretation of 17 U.S.C. § 501(c)(1) forces the aggrieved copyright owner into the "charade" of filing multiple copyright infringement suits; one for each infringing transaction. *See* M. Nimmer & D. Nimmer, Nimmer on Copyright, 1404[E][2][c]. Litigants in the First Circuit, however, bear no such burden. To allow this conflict to continue on such an issue would result in forum shopping, which surely cannot be consistent with Congress's desire for uniform application of the Copyright Act.

III. Conclusion

For the foregoing reasons, the petition for certiorari should be GRANTED.

Respectfully submitted,

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